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GOVT PUBNS

SCHEDULE A - 4

HOMEOWNER - RESIDENTIAL REHABILITATION
ASSISTANCE PROGRAM (RRAP)
RESIDENTIAL REHABILITATION PROGRAM (RRP)
SENIOR CITIZENS HOME REPAIR PROGRAM (SCHRP)
SASKATCHEWAN

These Programs will be delivered and administered by the Saskatchewan Housing Corporation (SHC).

1. OBJECTIVE

To assist households in core housing need who own and occupy existing substandard housing, to repair, rehabilitate or improve their dwellings to a minimum level of health and safety.

2. PROGRAM DESCRIPTION

The description and eligibility criteria for RRP and SCHRP throughout this Schedule relate only to that portion of the program cost-shared between Canada and Saskatchewan.

2.1 Homeowner RRAP and RRP

Homeowner RRAP and RRP provide financial assistance to owners of existing housing accommodation to repair, rehabilitate or improve existing substandard housing which is in need of major repair. Assistance is for eligible repairs to bring the dwelling up to minimum health and safety standards. The assistance is provided in the form of a full term loan, a portion of which may be forgiven, depending on the income of the applicant and



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continued occupancy of the dwelling. The assistance is available in urban and rural areas on a universal basis throughout Saskatchewan. The nature and quality of the repair work is expected to ensure a further useful life of the dwelling of 15 years.

2.2 Senior Citizens Home Repair Program (SCHRP)

SCHRP provides financial assistance to senior citizen owners of existing housing accommodation to repair, rehabilitate or improve existing substandard housing which is in need of major repair. Assistance is for eligible repairs to bring the dwelling up to minimum health and safety standards. The assistance is provided in the form of a grant. The assistance is available in urban and rural areas on a universal basis throughout Saskatchewan. The nature and quality of the repair work is expected to ensure a further useful life of the dwelling of 15 years.

2.3 Cost-Sharing

Eligible costs of these programs will be shared between Canada and Saskatchewan as outlined in Section 9, Eligible Program Costs.

2.4 Enabling Federal Legislation

National Housing Act:

- . Loans, Section 34.1;
- . Loan Forgiveness, Section 34.11;
- . Protection of Security, Section 55;
- . RNH Training Funds Program, Paragraph 37(1)(e).

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Enabling Provincial Legislation

Saskatchewan Housing Corporation Act

Senior Citizens Home Repair Act

3. ELIGIBILITY CRITERIA

3.1 Delivery Agents

Housing Agencies and other groups or individuals are eligible to act as delivery agents. Criteria for the qualification of delivery agents will include such elements as technical and financial expertise and will be determined by SHC and CMHC. Agents will be paid a fee in relation to functions performed. The existing delivery agent network will be retained for 1986. Additional eligible agents required in 1986 and future years will be determined by SHC in accordance with jointly agreed criteria.

3.2 Clients

Eligible clients are homeowners with total household income as defined in Appendix "1" which falls below the core housing need income threshold. Homeowner RRAP, RRP and SCHR will be available to eligible clients in urban and rural areas on a universal basis throughout Saskatchewan. Rural means rural areas or communities, off-reserve, having a population of 2 500 or less. Rural municipal jurisdiction having a population of greater than 2 500 but where the population is dispersed (i.e. no population core or centre of more than 2 500) are

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considered rural areas. Owners of housing who are receiving ongoing federal or provincial social housing subsidies are not eligible, except as provided under Section 4.3.

3.3 Property

To be eligible properties must be substandard or deficient and require major repair in one of the following areas: structural; electrical; plumbing; heating; fire safety; and overcrowding in rural areas.

No loan may be made for rehabilitation unless Saskatchewan or the local municipality or the authority having jurisdiction has adopted occupancy and building maintenance standards acceptable to CMHC.

Where the adoption of standards is not possible, Saskatchewan agrees to deliver these programs in accordance with CMHC Standards for the Rehabilitation of Residential Buildings ("RRAP Standards") and is satisfied that occupancy and building maintenance in the case of the dwelling rehabilitated will conform to the RRAP Standards.

3.4 Repairs

Eligible repairs are those required to bring a dwelling up to a minimum level of health and safety as defined in the RRAP Standards. All mandatory repairs as defined in the RRAP Standards must be undertaken.

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3.5 Earning of Loan Forgiveness (RRAP and RRP)

For Homeowner RRAP, loan forgiveness will be earned by the homeowner in equal annual installments over five years and for RRP, loan forgiveness will be earned in equal annual installments of \$500, provided the applicant maintains continued ownership and occupancy of the dwelling and adheres to all other terms and conditions of the loan commitment.

4. ELIGIBLE PROJECT COSTS/ASSISTANCE

Eligible project costs include, but are not limited to, the costs of eligible repair, rehabilitation or improvement based on accepted contractors' bids plus legal fees, interest on repayable advances, building permits and the cost of drawings and specifications.

Only the cost of eligible repairs as defined in the RRAP standards will qualify for assistance. The eligible project costs may be financed by loans, a portion of which will be forgivable, or grants covering the cost of eligible repairs required to bring the dwelling up to RRAP standards.

4.1 Homeowner RRAP

Maximum loans for RRAP are \$10 000 per unit for urban homeowners and \$25 000 per unit for rural homeowners and will be at interest rates acceptable to SHC and CMHC.

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Maximum loan forgiveness is \$5 000 per housing unit in the southern part of Saskatchewan and \$6 250 per unit in the northern part of Saskatchewan, as specified in the National Housing Loan Regulations and the Program Guidelines.

Homeowners with adjusted incomes up to \$13 000 will be eligible to receive the maximum forgivable loan depending on repair cost. The amount of forgivable loan will decline to zero for homeowners with adjusted incomes of \$23 000. The definition of adjusted income and the formulae for calculating the forgivable loan are attached as Appendix "1" to this Schedule.

4.2 RRP

Maximum loan is \$8 000 per unit. Maximum loan forgiveness is up to \$2 500 per unit. The amount of loan forgiveness will be calculated as 60% of the cost of eligible repairs at adjusted family incomes of \$9 000 or less and will decline by 5% for each \$1 000 of additional income to 22.5% of the cost of eligible repairs at adjusted family incomes of \$16 500, or a maximum of \$2 500 whichever is the lesser. Repayable loans will bear the interest rate established by SHC for RRP which will not exceed the RRAP interest rate. The definition of income and the formulae for calculating loan forgiveness are attached as Appendix "1" to this Schedule.

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4.3 SCHRP

The maximum grant available to eligible clients is the lesser of \$1 000 per unit or the cost of repairs. This grant may be provided in conjunction with RRAP or RRP loan.

5. PROJECT SELECTION/DELIVERY PROCESS

5.1 Client Selection

Taking into account the planning process SHC will assist families and senior citizens with the intent to distribute assistance to them, in accordance with their relative share of core housing need. In rural areas, a minimum of 52% of the federal rural budget allocation will be targetted towards Native clients.

SHC will ensure that all funds to these programs are allocated within the geographic areas specified in the Operating Agreement and to priority groups in accordance with the approved three-year plan attached as Schedule B of the Operating Agreement.

5.2 Delivery Process

Delivery agents other than SHC will enter into an Agency Agreement with SHC, acceptable to SHC and CMHC, which will stipulate the scope, terms, conditions, roles and responsibilities of the agent.

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SHC will be responsible for training, provision of information and explaining program guidelines to delivery agents and will monitor the performance of agents. In addition, SHC is responsible for loan commitment, obtaining loan security, loan advancing and loan administration. SHC in conjunction with CMHC will also conduct periodic monitoring inspections of dwellings to ensure adherence to guidelines and standards.

RNH Training Funds will be provided to local housing groups and Natives to help them meet their program responsibilities. The RNH Training Funds Programs are described in Homeowner RRAP - Program Guidelines.

Funding is shared by SHC and CMHC.

The delivery agent will be responsible for the explanation of these programs to potential applicants, the inspection of the property to establish eligible repairs, the job specification and cost estimates, financial analysis and loan/grant interview, loan/grant recommendation, progress and final inspections and other responsibilities outlined in the agency agreement between SHC and the delivery agent.

A Rural and Native Housing Tripartite Management Committee will be established. The Committee will provide a forum for planning and monitoring achievement of the Native component of Rural RRAP. The Committee will consist of senior representatives from Saskatchewan, the

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provincial Native organization or association, and the General Manager/Provincial Director of CMHC. CMHC will chair the Committee. The terms of reference for the Committee are set out in Appendix "5" to this Schedule.

6. COMMITMENT

SHC will approve loan and grant commitments based on the recommendation of the delivery agent after reviewing the application package to ensure compliance with program guidelines. A loan/grant commitment will be deemed to be made on the date the loan/grant is approved by SHC. The interest rate will be established by SHC and CMHC and will be set in accordance with Program Guidelines. SHC will deliver to CMHC a notice of commitment for RRAP loans on a form provided in the Program Guidelines within five (5) working days after the commitment is made. SHC will deliver to CMHC a notice of commitment for RRP loans and SCHR grants on a form mutually acceptable to CMHC and SHC within five (5) working days after month end.

Loan and grant commitments will be cancelled if rehabilitation has not been started within six months of the date of the notice of commitment.

A commitment on RNH Training Funds is made when SHC agrees to provide funds for RNH Training to eligible recipients as outlined in Homeowner RRAP Program Guidelines.

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6.1 Commitment Notification/Publicity

All news releases or announcements pertaining to budget allocations or commitments to a project will be in accordance with the Operating Agreement and the Program Guidelines.

6.2 Loan Security (RRAP, RRP)

Where Saskatchewan is the Active Party and wishes to take the individual RRAP mortgage securities in its own name, a Trust Agreement shall be entered into between CMHC and SHC.

Security for both forgivable and repayable components will be by mortgage or such other security as is deemed adequate by CMHC. Loans of up to \$10 000 may be secured by a promissory note. Loans in excess of \$10 000 shall be secured by a mortgage.

7. ADVANCING

Where a loan commitment has been made, SHC will ensure that the appropriate loan security has been obtained prior to any advances being made.

SHC will make advances based on progress inspections of work completed. Loan advances for RRAP will be made against the forgiveness portion of the loan first and then against any repayable portion. Loan advances for RRP will be made against any repayable portion of the

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loan first and then against the forgiveness portion. Prior to a final advance being made for either loans or grants, SHC will ensure that all repairs have been completed and the dwelling complies with RRAP Standards.

8. PROJECT/PORTFOLIO ADMINISTRATION

Homeowners will be required to repay the non-forgivable portion of the loan over an amortization period of up to 20 years, which shall not exceed the useful life of the dwelling.

SHC will be responsible for loan administration after the account has been fully advanced. This will include earning of loan forgiveness, occupancy verifications, sale of properties, collections of monthly payments, arrears action, postponement of mortgage security, default procedures, legal action and other requirements in accordance with the program guidelines.

In the event that a mortgaged property is acquired under foreclosure, title shall be held by SHC "In Trust" in accordance with the Trust Agreement provisions referred to in 6.2, Loan Security.

9. ELIGIBLE PROGRAM COSTS

RRP and SCHR commitments will be eligible for inclusion in the cost-sharing arrangement if they meet all of the

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criteria outlined in Sections 2, 3 and 4 of this Schedule including:

- . household income below core need threshold (S.3.2)
- . dwelling in need of major repair (S.3.3)
- . all mandatory repairs under the RRAP Standards (S.3.4)
- . eligible repairs under the RRAP Standards (S.4)

9.1 Cost-Sharing

To measure the sharing of costs, CMHC and SHC agree to compare the federal program and the two provincial programs as follows:

- RRAP: the dollar value of the forgivable loan commitments;
- RRP: the dollar value of the forgivable loan commitments;
- SCHR: the dollar value of the grant commitments.

Over the five-year period commencing 1 January 1986, the sum of the eligible RRP and SCHR budgetary commitments will equate to no less than one-third of the sum of the budgetary commitments under Homeowner RRAP. If, at the end of this five-year period, the budgetary commitments by SHC for RRP and SCHR are less than the required one-third, SHC will either make a cash contribution to CMHC equal to the amount of the shortfall or increase its eligible commitments for RRP and SCHR in the first year of the next five-year period in the amount of the shortfall. This adjustment will not be considered towards cost-sharing in the second five-year period.

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At the end of each calendar year in the five-year period commencing 1 January 1986, the cumulative RRP and SCHR budgetary commitments will be compared to the cumulative RRAP budgetary commitments. If the proportion of RRP and SCHR budgetary commitments is less than the cumulative ratio reflected in the financial plan, then SHC will increase its subsequent year's RRP and SCHR budgetary commitments so that the required ratio is reached.

9.2 Budgetary Costs

Budgetary costs include:

- . RRAP Loan Forgiveness - Upon advancing, that portion of a RRAP loan which is forgivable, as described in Section 4, Eligible Project Costs/Assistance. These will be fully funded by CMHC.
- . RRP Loan Forgiveness - Upon advancing, that portion of a RRP loan which is forgivable, as described in Section 4, Eligible Project Costs/Assistance. These will be fully funded by SHC.
- . SCHR Grant - Upon advancing the SCHR grant as described in Section 4, Eligible Project Costs/ Assistance. These will be fully funded by SHC.
- . Repayable RRAP loans which are deemed uncollectible and written off. These will be fully funded by CMHC.

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- . Repayable RRP loans which are deemed uncollectible and written off. These will be fully funded by SHC.
- . Acquisition costs not recovered on resale. In the case of RRAP acquisitions under Section 55 NHA, these will be fully funded by CMHC, in all other cases, these will be funded 100% by SHC.
- . Agency Fees - Eligible charges for agency fees payable to a delivery agent, for each RRAP loan commitment, as described in Appendix "4" to this Schedule. These will not be applicable where SHC is delivering the program directly. Fully funded by CMHC.
- . RNH Training Funds provided for approved training purposes to eligible local housing groups and Natives. Fully funded by CMHC.
- . Financing Interest - Any financing interest payable on budgetary receipts and disbursements will be calculated at an interest rate acceptable to SHC and CMHC. Interest in such cases will be calculated on the net expenditures to the date of reimbursement. RRAP financing interest will be fully funded by CMHC. RRP and SCHR financing interest will be fully funded by SHC.
- . Publicity Costs - The cost of eligible program and project publicity measures and materials. RRAP publicity measures and materials will be fully funded by CMHC. RRP and SCHR publicity measures and materials will be fully funded by SHC.

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- . Program Delivery and Administration Costs - Eligible annual costs of delivery and administration for RRAP based on performance standards acceptable to CMHC and SHC. Eligible RRAP program delivery and administration costs will be fully funded by CMHC. RRP and SCHR program delivery and administration costs will be fully funded by SHC.

9.3 Non-Budgetary Costs

Non-budgetary costs include:

- . Repayable and forgivable RRAP Loans - That portion of a RRAP loan which is to be repaid, as described in Section 4 Eligible Project Costs/Assistance. Upon default, unearned loan forgiveness becomes repayable. These will be fully funded by CMHC.
- . Repayable and forgivable RRP Loans - That portion of a RRP loan which is to be repaid, as described in Section 4, Eligible Project Costs/Assistance. These will be fully funded by SHC.
- . Eligible Interest - Interest on repayable advances accumulating up to the Interest Adjustment Date at the project's commitment rate of interest. RRAP eligible interest will be fully funded by CMHC. RRP eligible interest will be fully funded by SHC.
- . Acquisition of Property - The costs of property acquisition where acquired in order to protect the loan security. In the case of acquisitions funded

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under Section 55 NHA, these will be fully funded by CMHC, in all other cases, these will be fully funded by SHC.

10. BUDGETING AND CLAIMS

The financial reporting requirements for budgeting and claims are outlined in Appendix "3" to this Schedule and detailed in the Program Guidelines.

11. INFORMATION REQUIREMENTS

SHC will ensure that, for all commitments included under the cost-sharing arrangement, all information requirements outlined in Appendix "2" of this Schedule, and specified in Program Guidelines are provided to CMHC. Information pertaining to the achievement of Native targets in rural areas will also be made available to the Rural and Native Housing Tripartite Committee upon request.

RRAP commitment data will be provided no later than five (5) working days after a commitment is made. Updates to previously communicated commitment data will be transmitted in a similar fashion.

RRP and SCHR commitment data will be provided no later than five (5) working days after month end. Updates to previously communicated commitment data will be transmitted in a similar fashion.

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In matters pertaining to the monitoring of delivery agents, the Planning and Monitoring Committee will determine a sample inspection requirement which will permit the assessment of agents' compliance to program guidelines and their delivery performance.

SHC and CMHC will have full access to the results of the above.

DEFINITION OF TOTAL HOUSEHOLD INCOME

For the purpose of establishing eligibility under RRAP, RRP and SCHR, the total income of the household is the aggregate income, in whatever form received, of the owner/occupier and spouse (all as defined in the Program Guidelines) and 25% of the income of all other permanent household members, excluding the income of children in full-time attendance at school.

Income includes:

- Salary, wages, commissions, rents, investment income, part-time earnings, tips, alimony maintenance payments and child support received from a separated/divorced spouse, etc.;
- Unemployment Insurance Benefits, Social Assistance, Mother's Allowance, Welfare, and Family Allowances;
- Old Age Security Pension, Canada Pension Plan, private pensions, disability pensions, annuities, etc.

In those cases where an applicant or permanent household member is self-employed, the following applies: The annual income for self-employed individuals is the net income (gross revenue minus expenses) plus capital cost allowances. Examples of assets subject to capital cost allowance are vehicles, buildings, equipment, etc.

A verification/confirmation of income must be obtained for all applicants. For example, a statement signed by the employer, or in the case of self-employed, a copy of the most recent income tax return or other evidence satisfactory to SHC.

Boarders unrelated to the applicant or spouse are not considered to be permanent household members. The net rents received from such boarders for room and board are to be included in total household income.

DEFINITION OF ADJUSTED INCOME

For purposes of establishing the RRAP and RRP forgivable loan amount, SHC will determine the annual "adjusted income" of the household in the following manner:

Exclude from the income of the household:

- family allowances;
- alimony maintenance payments or child support paid to a separated or divorced spouse;

Deduct from the income of the household:

- \$300 for each dependent, includes children in full-time attendance at school and any other dependents with no income;
- work-related earnings of a single parent or working spouse to a maximum of \$1000;

CALCULATION OF FORGIVENESS - FORMULAE

Homeowner RRAP

1. Southern Area of Saskatchewan - Maximum forgiveness equals \$5 000 per housing unit.

The maximum \$5 000 assistance will be provided to homeowners with adjusted incomes up to \$13 000. Assistance will decline one dollar for each two dollars of income above \$13 000 and reach zero at incomes of \$23 000.

2. Northern area of Saskatchewan - Maximum forgiveness equals \$6 250 per housing unit.

The maximum \$6 250 assistance will be provided to homeowners with adjusted incomes up to \$13 000. Assistance will decline one dollar and twenty-five cents for each two dollars of income above \$13 000 and reach zero at incomes of \$23 000.

RRP

The amount of loan forgiveness will be calculated as 60% of the cost of eligible repairs at adjusted family incomes of \$9 000 or less and will decline by 5% for each \$1 000 of additional income to 22.5% of the cost of eligible repairs at adjusted family incomes of \$16 500, or a maximum of \$2 500 whichever is the lesser.

INFORMATION REQUIREMENTS: SUMMARY

Commitment Data RRAP:

- . this data is submitted by way of commitment forms after a commitment is made;
- . the commitment forms shall contain the following generic data elements:
 - client name and address;
 - household composition;
 - household income;
 - Native ancestry;
 - household's debt and capacity to pay;
 - post-RRAP basic shelter costs;
 - description of work done:
 - type and cost of repairs;
 - financing of repair costs:
 - amount of loan and financing conditions,
 - loan forgiveness obtained;
 - project description:
 - building type,
 - age of building,
 - location codes;
 - delivery agency identifier;
 - agency fee information;
 - training program information;
 - rural/urban indicator;
 - account identification information.
 - . this information, or part of it, will be updated through a project's life cycle (eg.: loan increases, decreases or cancellations to the point of establishment of IAD and final cost).

INFORMATION REQUIREMENTS: SUMMARY

Commitment Data SCHR:

- . this data is submitted by way of commitment forms or summary reports five (5) working days after month end;
- . the commitment forms shall contain the following generic data elements for each commitment:
 - client name and address;
 - household composition;
 - household income;
 - description of work done:
 - type and cost of repairs;
 - financing of repair costs:
 - grant obtained;
 - other financing;
 - project description:
 - building type,
 - age of building,
 - location codes;
 - rural/urban indicator;
 - account identification information;
 - identifier distinguishing grants eligible and not eligible for cost-sharing.

INFORMATION REQUIREMENTS: SUMMARY

Commitment Data RRP:

- . this data is submitted by way of commitment forms or summary reports five (5) working days after month end;
- . the commitment forms shall contain the following generic data elements for each commitment:
 - client name and address;
 - household composition;
 - household income;
 - household's debt and capacity to pay;
 - post-RRAP basic shelter costs;
 - description of work done:
 - type and cost of repairs;
 - financing of repair costs:
 - amount of loan and financing conditions,
 - loan forgiveness obtained;
 - project description:
 - building type,
 - age of building,
 - location codes;
 - rural/urban indicator;
 - account identification information;
 - identifier distinguishing loans eligible and not eligible for cost-sharing.
 - . this information, or part of it, will be updated through a project's life cycle (eg.: loan increases, decreases or cancellations to the point of establishment of IAD and final cost).

BUDGETING AND CLAIMS

The financial reporting requirements for budgeting and claims can be grouped by the following categories:

- A. Budget Preparation
- B. Budget Administration
- C. Commitments
- D. Claims
- E. Annual Information - Audited
 - Unaudited
- F. Budgetary Expenditure Accruals

For the Homeowner - RRAP, RRP and SCHR programs, all budgeting, claims and reporting will be segregated into the following activities unless otherwise indicated:

RRAP - Homeowner - Urban
RRAP - Homeowner - Rural
RRAP Security Protection - Section 55
RNH Training Funds

Residential Rehabilitation Program

Senior Citizen Home Repair Program

A. BUDGET PREPARATION

A three-year financial plan is developed on an annual basis as part of the joint planning process. It identifies planned commitment levels, expenditure levels, and cash flow patterns over the planning period which includes the budget year and the following two years. Commitment activity is planned on a calendar basis whereas expenditure activity is planned on a 31 March fiscal year basis. Cash flow is presented on both a calendar and fiscal year basis for five years. Commitment, expenditure and cash flow estimates for the year preceding the budget year and the two years following the budget year are presented for planning, information and monitoring purposes only. Sufficient information will be provided to ensure that budgetary commitment levels over any five-year period achieve the cost-sharing ratio outlined in Section 9.1.

Budget limits for the budget year are established in Schedule B to the Operating Agreement.

Three-year plans will be established by activity for the following areas:

1. Commitments - Units
2. Commitments - Budgetary
 - Non-budgetary
3. Budgetary Expenditures
4. Cash Flow Forecast - Budgetary
 - Non-budgetary

A. BUDGET PREPARATION (Cont'd)

1. Commitments - Units

Schedules of units committed and the associated repayable loans will be used to derive the forecasts of non-budgetary expenditures. Schedules of units committed and the associated forgivable loans/grants will be used to derive the forecasts of budgetary expenditures.

Data on characteristics of the proposed units (average unit repair costs, total repair costs of the units that will be amortized, projected interest rates, amortization terms, average forgiveness/grant ratios and proposed interest adjustment dates ("phase-in rates")) will be required to support the derivation of expenditures.

2. Commitments - Budgetary

Commitments for forgivable loans and grants will be expressed in terms of budgetary dollars required. Commitments for RNH Training Funds will be expressed in terms of budgetary dollars required.

- Non-budgetary

Commitments for loans (including both repayable and forgivable components) will be expressed in terms of capital (non-budgetary) dollars required and will be supplemented by data on characteristics of proposed units as described under 1 (Commitments - Units). Where action will be taken to protect the RRAP security, commitments will be expressed in terms of Section 55 capital (non-budgetary) dollars required.

3. Budgetary Expenditures

Budgetary expenditures will be displayed by type of expenditure (forgivable loans, grants, loan losses, agency fees, delivery and administration costs, and financing interest) in accordance with program guidelines.

For RNH Training Funds, the amounts to be disbursed will be provided.

4. Cash Flow - Budgetary

A summary of the expected quarterly cash flow of budgetary expenditures will be provided to assist in cash management.

- Non-budgetary

A summary of the expected quarterly cash flow of non-budgetary expenditures for loans will be provided to assist in cash management.

B. BUDGET ADMINISTRATION

The approved annual budget is contained in Schedule B of the Operating Agreement. Changes to an approved budget must be determined and communicated in accordance with the Operating Agreement and the guidelines.

C. COMMITMENTS

Commitments for loans will be reported in capital dollars; commitments for forgiveness and grants will be reported in budgetary dollars; and commitments for RNH Training Funds will be reported in budgetary dollars.

C. COMMITMENTS (Cont'd)

Commitments for Homeowner - RRAP will be reported to CMHC by SHC on a notice of commitment form, no later than five (5) working days after the commitment is made. CMHC will acknowledge receipt of the notice of commitment.

Commitments for RRP and SCHR will be reported to CMHC by SHC no later than five (5) working days after month end.

D. CLAIMS

Claims for settlement between SHC and CMHC will be submitted on a monthly basis within thirty days of the end of the month to which the transactions relate. Claims will contain sufficient information to permit:

- a) interim verification that the amounts being claimed or remitted are reasonable and within approved budgets;
- b) the recording of the necessary accounting entries relating to budgetary and non-budgetary expenditures and asset balances; and
- c) the monitoring of the status of the portfolio through continuity schedules of units committed, units under subsidy and asset balances.

The entire financial activity of the program shall be reported by SHC, together with each party's proportionate share of expenditures.

Budgetary expenditures related to prior year accruals will be reported.

Amounts claimed for budgetary expenditures may be based upon estimates of actual activity. Estimates must be adjusted to actual on a periodic basis in accordance with program guidelines.

The monthly claim for RRAP - Homeowner, RRP and SCHR programs will include, where applicable:

1. Continuity Schedule: Asset Balances and Units

This schedule is required to enable CMHC to monitor the status of the portfolio in terms of non-budgetary expenditures and units, both under advancing and under repayment. Sufficient information will be included on commitments, advances, interest, forgivable loans, grants, arrears, and other asset related activity to ensure that advances plus interest are within commitment amount and to record financial activity not requiring cash settlement. A listing, by project, of loan amounts being transferred from under advancing to under repayment at IAD will be provided and will reconcile to the continuity schedule.

2. Continuity Schedule: RNH Training Funds

This schedule is required to monitor the RNH Training Funds that have been committed, disbursements on these commitments, and outstanding commitments.

D. CLAIMS (Cont'd)

3. Expenditures

A report of actual expenditures and receipts or an estimate of actuals for the month is required to monitor the financial impacts of program activity and to inform CMHC of its share of net expenditures.

The financial data will be displayed by program activity and expenditure category consistent with budget requirements. Sufficient data will be provided to support the agency fees and delivery and administration costs claimed.

The report will also disclose the respective share of the expenditures of each party and the amounts for which reimbursement is being requested by SHC.

E. ANNUAL INFORMATION - AUDITED

The audited statement of budgetary and non-budgetary expenditures will provide an independent verification of the proper use of funds in accordance with the Operating Agreement and program guidelines and will be used to determine the final amount payable to or recoverable from SHC for the calendar year ending 31 December.

The audited statement and its supporting schedules will contain information at a level similar to that provided on the monthly claims.

Budgetary expenditures will be broken down by year of commitment in a supporting schedule.

Audited information will be submitted no later than 30 June.

ANNUAL INFORMATION - UNAUDITED

Annual outstanding commitment and asset balance information, by account, as at 31 December will be submitted for planning and monitoring purposes and to support information contained in CMHC's records.

Outstanding commitment information will be classified by year of commitment and show the total advances to date including interest, if any, for loans and training funds.

This information is required to reconcile the detailed asset and commitment files maintained by CMHC to those of SHC.

Unaudited information must be submitted to CMHC no later than 31 January.

F. BUDGETARY EXPENDITURE ACCRUALS

Budgetary expenditures which have been incurred but not disbursed within the fiscal year ending 31 March and which, in accordance with program guidelines, should be charged to the budget for that year, will be reported by SHC by 30 April. This information will be certified by a senior financial officer of SHC.

**HOMEOWNER RRAP
DELIVERY AGENT FEE SCHEDULE**

Those agents not performing all of the delivery functions will be paid on a pro-rata basis for those functions actually performed. The table below shows the distribution of the fee, by function, as well as by category of loan.

Les agents qui n'accomplissent pas tout le travail d'application seront payés au pro-rata des tâches accomplies. Le tableau suivant donne la distribution du droit par étape et par catégorie de prêt.

**REFERENCE FEE CHART/
TABLEAU DES DROITS D'AGENCE**

- Administrative/Administration
 - . Each additional unit/
Chaque logement additionnel
 - . Each additional bed-unit/
Chaque lit additionnel
- Technical-Initial Inspection/
Technique-Inspection initiale
 - . Each additional unit/
Chaque logement additionnel
 - . Each additional bed-unit/
Chaque lit additionnel
- Technical-Progress Inspection/
Technique-Inspections d'étape
 - . Each additional unit/
Chaque logement additionnel
 - . Each additional bed-unit/
Chaque lit additionnel
- All Delivery Functions carried out/
Exécution de toutes les étapes d'application
 - . Each additional unit/
Chaque logement additionnel
 - . Each additional bed-unit/
Chaque lit additionnel

| Category I/Catégorie I * | | | Category II/ ** Catégorie II | |
|-----------------------------|-----------|-----------|---------------------------------|-----------|
| A | B | C | A | B |
| Up To/ Jusqu'à 100 km | 101-250km | 251 km + | Up to/ Jusqu'à 250 km | 251 km + |
| \$ 230.00 | \$ 260.00 | \$ 285.00 | \$ 315.00 | \$ 350.00 |
| 15.00 | 15.00 | 15.00 | 15.00 | 15.00 |
| 7.00 | 7.00 | 7.00 | 7.00 | 7.00 |
| \$ 160.00 | \$ 185.00 | \$ 200.00 | \$ 230.00 | \$ 255.00 |
| 35.00 | 35.00 | 35.00 | 35.00 | 35.00 |
| 17.50 | 17.50 | 17.50 | 17.50 | 17.50 |
| \$ 210.00 | \$ 240.00 | \$ 265.00 | \$ 290.00 | \$ 330.00 |
| 20.00 | 20.00 | 20.00 | 20.00 | 20.00 |
| 10.50 | 10.50 | 10.50 | 10.50 | 10.50 |
| \$ 600.00 | \$ 685.00 | \$ 750.00 | \$ 835.00 | \$ 935.00 |
| 70.00 | 70.00 | 70.00 | 70.00 | 70.00 |
| 35.00 | 35.00 | 35.00 | 35.00 | 35.00 |

* Unit is accessible by road/Le logement est accessible par route.

** Unit is not accessible by road/Le logement n'est pas accessible par route.

**HOMEOWNER RRAP
TRIPARTITE MANAGEMENT COMMITTEE - TERMS OF REFERENCE**

The RNH Tripartite Management Committee responsibilities under the rural component of the Homeowner RRAP program are listed below:

- Proposing annual and three-year housing plans in accordance with the Operating Agreement.
- Identifying and setting priorities for rural areas and communities requiring Rural RRAP activity in accordance with the Operating Agreement.
- Ensuring that residents of the selected rural areas and municipalities are properly informed of the program.
- Establishing the strategy for the delivery of the program within the national guidelines.
- Determining the role of Native delivery agents and giving them specific direction in carrying out their activities.
- Coordinating the various activities attendant to the delivery strategy for the program.
- Monitoring all program delivery related activities on an ongoing basis.
- Developing and maintaining all necessary information on the housing needs of the client group.
- Ensuring that there is client counselling service available.
- Providing direction to Native delivery agents with respect to counselling strategies and ensuring that appropriate resources are available.
- Coordinating the client counselling activities provincially.